



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 9/24/1999

GAIN Report #AU9041

Austria

Wine

Austrian Wine Production

1999

Prepared by:

Allan Mustard

U.S. Embassy

Drafted by:

Walter Krucsay

Report Highlights:

Austrian wine production is dominated by part-time farmers with small vineyards. About 70% of total production is white wine, particularly Green Veltliner. Consumption is stabile. The 1999 crop is expected to be of excellent quality and slightly larger than the 1998 crop.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1], AU

Austrian Wine Production

Summary

Austria's main wine regions are in the eastern (lowland) parts of the country. Most of the 40,000 wine producers are part-time farmers with a vineyard size of below two hectares. Around 70% of total wine output is white wine, dominated by Green Veltliner. Direct, on-farm sales account for about 50% of total production. Annual per capita consumption has probably stabilized at 30 liters. 1998 wine imports declined slightly whereas exports were nearly unchanged. In 1999 an excellent crop is expected. End summary.

Area

Austrian wine production is concentrated in the eastern part of the Danube valley and in the north eastern, eastern, and south eastern regions of the country. The total wine area includes 51,000 ha of which around 48,000 ha are bearing areas. Of the total wine area 60% are in the province Lower Austria, 31.3% Burgenland, and 7.5% in Styria and 1.2% in Vienna.

Varieties

Austria is a classical white wine country; 80% of the total wine area is devoted to white wine and 20% to red wine and rose. The main variety among white wines is Green Veltliner (36.7%) followed by Welschriesling (9%), Mueller-Thurgau (7.8%), White Burgundy (3.3%), White Riesling (2.6%), Neuburger (2.4%), Muscat-Ottonel (1.1%), Chardonnay (0.9%), Gewurztraminer (0.8%), Zierfandel (0.5%), and Sauvignon Blanc (0.3%). The red wine assortment includes only five varieties: Zweigelt (7.9%), Blaufrankisch (5.3%), Blue Portuguese (5.2%), Blue Burgundy (0.7%), Schilcher (0.8%).

Structure

In line with other agricultural sectors, the size of Austrian wineries is small. Part-time wine producers, which constitute the majority, have an average area of 1.6 ha. The small number of full-time growers average 2.8 ha. Of the total number of wine producers, 26,000 have a vineyard of one hectare or less, and only 3,000 vineyards have an area of 5 ha or more.

Production

Over the long term, annual wine output averages 2.7 million hectoliter but shows significant fluctuations. However, because of weather, this volume could not be reached in the last four years. About 70% of the total output is white wine. Due to higher yields, red wine production accounts for 30% although the area is only 20%.

In contrast to Austria's neighboring countries, where the bulk of the grape crop is processed by specialized wineries, in Austria a large share of grape growers carry out pressing, fermenting, and bottling themselves.

Wine production contributes about six percent to Austria's gross agricultural.

Consumption

Since the beginning of the nineties, Austrian wine consumption has been stable at about 2.5 million hectoliter. However, population growth has been offset by a decline in per capita consumption, from around 34 liters to 30 liters/year. Wine consumption has probably stabilized at this level.

About 53% of wine is consumed at home, 38% in the gastronomic trade, and 9% in the special Austrian wine taverns called "Heuriger". Consumers purchase 48% directly from vineyard owners, 40% from the food trade and 12% from specialty wine shops.

Marketing of Domestic Wines

About 50% of domestic production is sold by wine producers directly to consumers. This is only possible due to the close market location of producers. Two of Austria's largest cities are in wine regions.

Marketing of Austrian wines is promoted by the Austrian Wine Marketing Service (AWMS). Costs of AWMS are covered by the wine industry and the wine producing provinces who contributed in 1998 AS 38 million and AS 40 million respectively. The industry share consists of producer payments of AS 750/ha, and AS 0.15/l from wine cellars which sell bulk wine for bottling.

Trade

Probably due to the larger 1998 domestic crop, imports declined to 62,200 MT in 1998 (-4.3%). Most wine comes from Italy; however, Spain and France are also large suppliers. Imports from the U.S. are still relatively small but due to intensive promotion, imports increased in 1998 to at least triple their level in 1996.

Wine exports rose slightly from 23,200 MT in 1997 to 23,600 MT in 1998. Traditionally, the major share goes to Germany. For several years, Austria has been trying hard to export more substantial quantities to the United Kingdom but has failed so far.

Prospects for 1999 Wine Production

Weather has been very conducive to the wine crop so far. Also, there were no problems with insects and fungi. If weather in September remains as at present, an excellent crop is expected. Some growers believe the quality may reach that of 1997, which was one of the best of this century. However, while in 1997 only 1.8 million hectoliters and in 1998 2.7 million hectoliters were produced, the 1999 volume is expected to reach 2.9 million hectoliters. The price for white wine will probably be slightly below AS 4/liter for barrel wine. Many orders for 1999 wines were placed long before harvest, independent of quality, just because it is the last wine of this century.